

State of New Hampshire DEPARTMENT OF ENVIRONMENTAL SERVICES

6 Hazen Drive, P.O. Box 95, Concord, NH 03302-0095 (603) 271-1370 FAX (603) 271-1381



November 2, 2000

Frederick A. Piehl Affinity Industries, Inc. 755 Route 16 P.O. Box 1000 Ossipee, New Hampshire 03864 CERTIFIED MAIL (7099 3400 0002 9769 7594) RETURN RECEIPT REQUESTED

LETTER OF DEFICIENCY ARD No. 2000-012

Dear Mr. Piehl:

On June 15, 1999, the New Hampshire Department of Environmental Services. Air Resources Division (DES) received an application for a Temporary Permit for the operation of four diesel generators from Affinity Industries, Inc. in Ossipee. New Hampshire. (Affinity). DES performed a compliance inspection of the Affinity facility on July 21, 2000 as a follow-up to receiving the application. DES has reviewed the information provided in the application and obtained during the inspection to determine Affinity's compliance with the New Hampshire Administrative Rules, Env-A 100-3500, N.H. Rules Governing the Control of Air Pollution, relative to the operation of the four devices. DES had performed a prior inspection of Affinity in 1999. Although it was noted during that inspection that the deficiencies identified below were present at that time, this was never relayed to Affinity in writing, who may have misunderstood that they were not in compliance with New Hampshire Administrative Rules, Env-A 100-3500.

DES identified the following deficiencies at Affinity:

- 1. Affinity operated the following devices in violation of Env-A 600, STATEWIDE PERMIT SYSTEM: a 66HP Kohler Power Systems diesel generator installed in April 1995 (Generator #1). a 211HP Kohler Power Systems diesel generator installed in April 1996 (Generator #2), a 211HP Kohler Power Systems diesel generator installed in April 1997 (Generator #3) and a 380HP Cummings diesel generator installed in May 1999 (Generator #4). Specifically, Affinity was in violation of the following sections of Env-A 600:
 - (a) Affinity operated in violation of Env-A 607.01(d)(l) Specific Applicability for Temporary Permits and State Permits to Operate since the April 1996 installation date of Generator #2. The rule was modified on September 28, 1996 from requiring a permit for an engine with a horsepower rating greater than 200 HP, to requiring a permit for a source having one or more engines with a combined total design gross heat input of more than 1,500,000 BTUs per hour. The horsepower rating of Generator #2 is 211 HP and the combined heat input of Generators #1 and #2 is 1,820,000 BTU per hr. Affinity continued to be in violation of Env-A 607:01(d)(l), with the installation of Generators #3 and #4 being additional violations of the same requirement, until such time that complete applications for permits were received by DES; and
 - (b) Affinity was in violation of Env-A 608.01(a)(1) Specific Applicability: State Permits to Operate by operating Generator #2 without a permit. Env-A 608.01(a)(1) requires the owner or operator of any stationary source, area source or device which is specified in Env-A 607.01 to obtain a state permit to operate prior to the operation or modification of the stationary source, area source, or device. The operation of Generators #3 and #4 without permits are additional violations of Env-A 608.01(a)(1).

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- 2. Pursuant to Chapter Env-A 701.02, any applicant, owner or operator of a stationary source, area source, or device which requires a temporary permit to operate, Title V operating permit, or any combination of the foregoing permits pursuant to Env-A 600, shall pay emission-based fees to the Division each year starting in calendar year 1995 for calendar year 1994 actual emissions. Affinity's engines #1 through #4 have been determined to meet the applicability of Env-A 607, and, therefore, the appropriate emission-based fees must be paid;
- 3. Affinity is required by Env-A 809.02 to conduct testing to determine compliance with the sulfur content limit of Env-A 1604.01, which limits the sulfur content of No. 2 oil to 0.40 percent sulfur by weight. DES has historically accepted documentation from the fuel supplier as fulfillment of this requirement. Affinity has conducted no testing of the No. 2 fuel oil combusted in its engines and has no fuel supplier-provided documentation of fuel sulfur content and is therefore in violation of Env-A 809.02;
- 4. Emissions from Generators #1 through #4 are subject to the recordkeeping regulations found in Env-A 903.03 General Recordkeeping Requirements for Combustion Devices. Specifically. Affinity is required to maintain monthly records of fuel usage, fuel type and sulfur content as percent sulfur by weight of fuel. Although Affinity has records of each delivery of fuel oil received by the facility, it does not have records of the sulfur content of the fuel, and Affinity has failed to maintain these required records in a monthly format, in violation of Env-A 903.03. In addition, Affinity is in violation of the General Reporting Requirements of Env-A 907.01 which requires the source to submit the information maintained in accordance with Env-A 903.03 to DES annually, beginning with year 1999 data, by April 15 of the following year; and
- 5. Env-A 1404.01(b) requires that the owner of a device or process shall demonstrate compliance with Env-A 1400 REGULATED TOXIC AIR POLLUTANTS by May 8, 1999, following one of the methods specified in Env-A 1404.01(c), and that this information shall be retained on site and made available to DES upon inspection. Affinity has not completed the compliance demonstration required by Env-A 1404.01(b).

DES believes that Affinity may resolve the noted deficiencies by taking the following actions:

- 1) Operate all devices in accordance with all requirements of the permit. DES recommends that, in the future, Affinity submit complete applications and obtain permits prior to the installation, operation, and/or modification of a device and/or stationary source, as appropriate. DES also urges Affinity to submit permit renewal applications 90 days prior to any permit expiration date, as required, pursuant to Env-A 608.10;
- 2) Begin retaining records of operation of the engines in accordance with <u>General Recordkeeping Requirements for Combustion Devices</u> of Env-A 903.03(a)(3), and report this information annually in accordance with the <u>General Reporting Requirements</u> of Env-A 907.01. If total actual annual NOx emissions exceed 10 tons, then Affinity will also be subject to the <u>General NOx Recordkeeping requirements</u> of Env-A 905.02 and NOx EMISSIONS REPORTING REQUIREMENTS of Env-A 909;
- 3) Within 90 days of receipt of this Letter of Deficiency, submit to DES an evaluation of all air toxics emissions at Affinity following the procedures in Env-A 1406 METHODS OF DEMONSTRATING COMPLIANCE in order to demonstrate compliance with CHAPTER Env-A 1400 REGULATED TOXIC AIR POLLUTANTS:

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- 4) Enclosed with this Letter of Deficiency is an invoice for past due emissions fees for actual emissions in calendar years 1994 through 1998. Please pay the past due fees in the amount of \$1.192.65 within 30 days of receipt of this letter; and
- 5) Within 10 days of receipt of this Letter of Deficiency, submit to DES the annual data required by General Reporting Requirements of Env-A 907.01 for the calendar year 1999. DES is in receipt of a letter dated November 4, 1999, which documents fuel usage for the partial year 1999 and years 1995 through 1998. Upon receipt of the remaining data for 1999, DES will calculate the fees owed by Affinity for calendar year 1999 actual emissions. DES will invoice Affinity for 1999 emission fees. Due to the late notice of the \$/ton emissions fee factor for 1999 emissions, an extension for payment beyond the due date of October 15, 2000 will be given via the invoice cover letter.

Provide the information requested within the time frame specified to the attention of Mr. Raymond Walters at:

> NHDES Air Resources Division Compliance Bureau 6 Hazen Drive P.O. Box 95 Concord, NH 03302-0095

Should you desire a current copy of the Air Resource Division rules, the rules can be obtained from the DES website at http://www.des.state.nh.us/ard/ardrules.htm, or by contacting the Public Information and Permitting Section at (603) 271-2975

In the event that any future violations of these rules occur, or if no response is received, DES may take further action against Affinity including issuing an administrative order, seeking administrative fines, and/or referring this matter to the New Hampshire Department of Justice for civil and/or criminal penalties. If you have any questions regarding this matter, or require further information please contact Mary Ruel at (603) 271-6795 or Raymond Walters at (603) 271-6288.

Sincerely,

Robert R. Scott Chief Air Programs Manager

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Air Resources Division

Enclosure RRS/raw

cc:

K. A. Colburn, Director, NHDES-ARD

G. Rule, NHDES-O/C

T. McCusker, EPA Region I

H. Merrow, Chairman of Board of Selectman, Town of Ossipee